DAILY PILOT

August 26, 2013

Commentary: Legislature is working to bypass voters

By Michelle Steel

Imagine one day you open your mail only to discover a letter notifying you of a new loan taken out in your name without your knowledge.

The letter informs you that you will have no say in how the loan money is spent, though it might benefit you in some way.

Furthermore, the letter informs you that the money to repay the loan will be deducted from your checking account every month for the next 30 years.

I know you're saying, "That would be absolutely crazy.'"

And you're right. Yet, several bills making their way through the Legislature could make this scenario all too real for millions of Californians.

These bills would allow cities and counties to more easily create infrastructure financing districts. These special districts, known as IFDs, are a relatively obscure, seldom used, option for local governments to pay for projects such as redevelopment, transportation and maintenance. The districts generally consist of five unelected individuals appointed by a city council or county supervisors.

Last year, the governor and Legislature eliminated local redevelopment agencies. Now, cities and counties looking for new ways to fund the same old projects are asking the Legislature to pass laws making it much easier to form IFDs. Through IFDs, they could do the same types of things that they used to do through redevelopment agencies.

This may seem like just another attempt to revive redevelopment, but the details of these bills reveal their insidious and dangerous nature.

Most of the bills would change the way voters approve new bonds. Currently, bonds must be approved by two-thirds of voters, with the exception of school bonds, which need 55%. Assembly Bill 243 and Senate Bill 628 would change that.

AB 243 reduces the vote threshold for issuing all bonds from two-thirds to 55%. That's bad, but SB 628 takes a more egregious route. It would eliminate voter approval for bonds altogether, leaving the issuance of new debt — in our names — up to an unelected IFD board.

This is an affront to the will of the voters and to the protections put in place by such constitutional measures as Proposition 13, which protects taxpayers by requiring elected officials and the voters of California to take special consideration in deciding how and when tax dollars are spent.

To help pay for this new borrowing, money would be diverted from property and other taxes, reducing funds for programs and services on which that we all rely, such as police, fire and transportation. Calls for higher taxes and fees would probably follow, adding to your tax and debt burden.

Additionally, unelected IFD boards would have the authority to spend your tax dollars on projects without your approval. These boards wouldn't be required to ensure that projects have a broad benefit for the communities affected, and there would be little oversight of their actions. Senate Bill 1, another dangerous bill, requires an audit only once every five years.

For years, local governments have struggled to make ends meet while Sacramento politicians have taken away local tax dollars intended to pay for essential services. I sympathize with local government officials, but I believe that it is irresponsible to create new bureaucracies such as IFDs and allow them to increase public debt by spending money without voter approval.

We must send a message to policymakers in Sacramento to reject these reckless bills. We need to let them know that new borrowing, higher taxes and less accountability will make our state's problems worse.

*Surfside resident **MICHELLE STEEL** is a member of the State Board of Equalization. She is running for the Orange County Board of Supervisors, District 2, which includes Costa Mesa, Newport Beach, Huntington Beach, Seal Beach and portions of Fountain Valley.*